Insertion to "Overview" Booklet

(Summary Plan Description)

Of The WSRC and BSRI Benefits Handbook

(Effective 4/14/2003)

This document contains important information about your WSRC Team benefits under the WSRC/BSRI Health Choice Medical, Dental, Vision Care and Flexible Spending Account Plans. This insert becomes a permanent part of the new "Overview" booklet (4/14/03) of your WSRC Team Benefits Handbook.

On page 38, add the following under "HIPAA (Health Insurance Portability and Accountability Act)".

GROUP HEALTH PLAN
GROUP HEALTH PLAN DOCUMENT AMENDMENT

PRIVACY OF PROTECTED HEALTH INFORMATION

1. WSRC/BSRI's Certification or Compliance.

Neither the Health Choice Benefit Plan (the "Plan") nor any third party business associate servicing the Health Choice Benefit Plan will disclose plan participants' Protected Health Information (PHI) to WSRC/BSRI unless WSRC/BSRI certifies that the Plan documents have been amended to incorporate this section and agrees to abide by this section.

2. Purpose or Disclosure to WSRC/BSRI.

- a. The Health Choice Benefit Plan and any third party business associate servicing the Health Choice Benefit Plan will disclose PHI obtained from the Plan to WSRC/BSRI only to permit WSRC/BSRI to carry out plan administration functions for the Plan not inconsistent with the requirements of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (45 C.F.R. Parts 160 -164). Any disclosure to and use by WSRC/BSRI of PHI obtained from the Plan will be subject to and consistent with the provisions of paragraphs 3 and 4 of this section.
- b. Neither the Health Choice Benefit Plan nor any third party business associate servicing the Health Choice Benefit Plan will disclose PHI obtained from the Plan to WSRC/BSRI unless the disclosures are explained in the Notice of Privacy Practices distributed to the plan participants.
- c. Neither the Health Choice Benefit Plan nor any third party business associate servicing the Plan will disclose PHI obtained from the Plan to WSRC/BSRI for the purpose of employment-related actions or decisions or in connection with any other benefit or employee benefit plan of WSRC/BSRI.

3. Restrictions on WSRC/BSRI's Use and Disclosure of Protected Health Information.

- a. WSRC/BSRI will neither use nor further disclose PHI received from the Health Choice Benefit Plan, except as permitted or required by the Health Choice Benefit Plan documents, as amended, or required by law.
- b. WSRC/BSRI will ensure that any agent, including any subcontractor, to whom it provides PHI obtained from the Plan, agrees to the restrictions and conditions of the Health Choice Benefit Plan documents, including this section.
- c. WSRC/BSRI will not use or disclose a participants' PHI obtained from the Plan for employment-related actions or decisions or in connection with any other benefit or employee benefit plan of WSRC/BSRI.
- d. WSRC/BSRI will report to the Health Choice Benefit Plan any use or disclosure of PHI obtained from the Plan that is inconsistent with the uses and disclosures allowed under this section upon learning of such inconsistent use or disclosure.
- e. WSRC/BSRI will make PHI obtained from the Plan available to the plan participant and will consider plan participant amendments in accordance with 45 Code of Federal Regulations §§164.524 and 164.526.
- f. WSRC/BSRI will track disclosures it may make of PHI obtained from the Plan so that it can make available the information required for the Health Choice Benefit Plan to provide an accounting of disclosures in accordance with 45 Code of Federal Regulations § 164.528.
- g. WSRC/BSRI will make its internal practices, books, and records, relating to its use and disclosure of PHI obtained from the Plan to the Health Choice Benefit Plan and to the U.S. Department of Health and Human Services to determine compliance with 45 Code of Federal Regulations Parts 160-164.
- h. WSRC/BSRI will, if feasible, return or destroy all PHI WSRC/BSRI received from the Plan that WSRC/BSRI maintains in whatever form and including copies of any such information, when the plan participants' PHI is no longer needed for the plan administration functions for which the disclosure was made. If it is not feasible to return or destroy all plan participant PHI, WSRC/BSRI will limit the use or disclosure of any plan participant PHI to those purposes that make the return or destruction of the information not feasible.

4. Adequate Separation Between WSRC/BSRI and The Health Choice Benefit Plan.

- a. Certain classes of employees or other workforce members under the control of WSRC/BSRI may be given access to plan participants' PHI received from the Health Choice Benefit Plan or a health insurance issuer or business associate servicing the Health Choice Benefit Plan.
- b. These employees will have access to plan participants' PHI only to perform the plan administration functions that WSRC/BSRI provides for the Health Choice Benefit Plan.
- c. These employees will be subject to disciplinary action, for any use or disclosure of plan participants' PHI in breach or violation of or noncompliance with the provisions of this section to the Health Choice Benefit Plan documents. WSRC/BSRI will report such breach, violation or noncompliance to the Plan, as required by paragraph 3(d) of this section, and will cooperate with the Health Choice Benefit Plan to correct the breach, violation or noncompliance, to impose appropriate disciplinary action on each employee or other workforce member causing the breach, violation or noncompliance, and to mitigate any deleterious effect of the breach, violation or noncompliance on any participant, the privacy of whose PHI may have been compromised by the breach, violation or noncompliance.